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ARTICLE I

GENERAL

1.1 Authority. (Dissolved 12-31-15) The District is a governmental subdivision of the State of Colorado and a body corporate with those powers of a public or quasi-municipal corporation, that are specifically granted, or necessary incidental to those powers specifically granted for carrying out the objectives and purposes of the District. The District was organized as a Special District pursuant to C.R.S, §32-1-101 et seq., as amended, by Court Order in Grand County District Court Civil Action No. 82CV67 on August 13, 1982, nunc pro tunc July 30, 1982.

1.2 Purpose. The purpose of this consolidated body of Rules, Regulations and By-Laws is to ensure an orderly and uniform administration of water and sewer operations in the territory included within the boundaries of the District.

1.3 Policy. The Board of Directors of the District hereby declare that the Rules, Regulations and By-Laws hereinafter set forth will serve a public use and are necessary to promote the health, safety, prosperity, security, and general welfare of the inhabitants of the District.

1.4 Scope. These Rules, Regulations and By-Laws shall be treated and considered as new and comprehensive regulations governing the operations and functions of the District, and shall supersede all prior Rules, Regulations and By-laws of the District.

1.5 Intent of Construction. It is intended that these Rules, Regulations and By-Laws shall be liberally construed to effect the general purposes set forth herein, and that each and every part thereof is separate and distinct from all other parts. No omission or additional material set forth in these Rules, Regulations and By-Laws shall be construed as an alteration, waiver or deviation from any grant of power, duty or responsibility, or limitation or restriction, imposed or conferred upon the Board of Directors by virtue of statutes now existing or subsequently amended, or under any contract or agreement existing between the District and any other governmental entity. Nothing contained herein shall be so construed as to prejudice or affect the right of the District to secure the full benefit and protection of any law which is now enacted or may subsequently be enacted by the Colorado General Assembly pertaining to the governmental or proprietary affairs of the District.

1.6 Amendment. It is specifically acknowledged that the District shall retain the power to amend these Rules, Regulations and By-Laws with respect to the District to reflect those changes determined to be necessary by the Board of Directors of the District. Prior notice of these amendments shall not be required to be provided by the District exercising its amendment powers pursuant to this Section.

ARTICLE II

DEFINITIONS

Unless the context specifically indicates otherwise, the meaning of the terms used herein shall be as follows:

2.1 Applicant. “Applicant” means any person who applies to the District for a service connection or service disconnection, main line extension or other such service agreement, or who attempts to have real property included within, or excluded from the District, as the case may be.

2.2 Board. “Board” and “Board of Directors” mean the Board of Directors of the District. The Board of Directors are local government officials and are subject to the code of ethics set forth in C.R.S. 24-18-104, 105 and 109. (Amended 1/14/14)

2.3 Constructor. “Constructor” means the landowner, developer, sub-divider or agency actually paying for the construction of the lines.

2.4 Contractor. “Contractor” means any person, firm or corporation authorized by the District to perform work and to furnish materials within the District.

2.5 Customer. “Customer” means any person, company, corporation, homeowners association or similar entity authorized to connect to and use the public water or sewer system under a permit issued by the District. Definition shall include all members of such condominium or homeowner’s association who are owners of units or parts thereof in one or more buildings.

2.6 Developer. “Developer” means any person who owns land and/or is subdividing land for resale and seeking to have the land served by the District.

2.7 District. “District” means the SilverCreek Water and Sanitation District.

2.8 District Engineer. “District Engineer” means that person or firm that has been authorized by the District to perform engineering services for the District.

2.9 Dwelling Unit. “Dwelling Unit” means one or more habitable rooms arranged, occupied, or intended or designed to be occupied by not more than one family with facilities for living, cooking, sleeping and eating.

2.10 Electors. “Electors” shall be as defined by (C.R.S., § 32-I-103T5), as amended.

2.11 Equivalent Dwelling Unit. “Equivalent Dwelling Unit” or “Single Family Equivalent Dwelling Unit” (“SFE”) means a use which is estimated to have an impact upon the water or sewer system equal to that of the average dwelling unit of 3.5 persons and 350 gallons per day and 0.60 pounds biochemical oxygen demand per day.

2.12 Granby. “Granby” means the Granby Sanitation District unless words are indicative of the Town of Granby.

2.13 Inspector. “Inspector” means that person under the direction of the superintendent or manager who shall inspect all water and sewer connections, excavations, installations of the repairs to the public water or sewer system and facilities of the District to ensure compliance with the rules and regulations.

2.14 Licensed Contractor/Drain Layer. “Licensed Contractor/Drain Layer” means the person authorized by the District to perform services which physically affect the public water or sewer system of the District.

2.15 Main Line. “Main Line” means any pipe, piping or system of piping used as a conduit for water or sewage in the District’s system and owned by the District. A water main line shall be six inches (6”) or more in diameter and a sewer main line shall be eight inches (8”) or more in diameter.

2.16 **Manager.** “Manager” of the District means the person or entity retained by the Board to administer and supervise the affairs of the District and its employees.

2.17 **Permit.** “Permit” means the written permission to connect to the water or sewer main of the District pursuant to the rules and regulations of the District, and shall be revocable upon the change of use of the property being served by such main.

2.18 **Person.** “Person” means any individual, firm, partnership, corporation or other entity of any nature, whether public or private.

2.19 **Pretreatment Facilities.** “Pretreatment Facilities” means structures, devices or equipment for the purpose of removing from the sewer system any wastes which would be harmful to the District’s sewer mains or to the sewage treatment works.

2.20 **Public Sewer, Sewer System or Water System.** “Public Sewer, Sewer System or Water System means any sewer or water line, appur-tenances, accessories or portion thereof owned and maintained by the District.

2.21 **Service Line.** “Service Line” means any pipe, line or conduit used to provide water or sewer service from the main to a building. A service line is not the property of the District, and the District shall have no liability whatsoever in respect thereto from the point of, and including, the tap onto the main line.

2.22 **Sewage Treatment Works.** “Sewage Treatment Works” shall mean the sewage treatment facilities of the Granby Sanitation District, except for any pre-treatment facilities operated or controlled by the SilverCreek District.

2.23 **Shall - May.** Whenever “shall” is used herein, it shall be construed as a mandatory direction; whenever “may” is used herein, it shall be construed as a permissible, but not mandatory, direction.

2.24 Superintendent. “Superintendent” means that person appointed by the District Manager to supervise the operation and maintenance of District facilities.

2.25 Tap or Connection. “Tap” or “Connection” means the connecting of the service line from the structure which it is to serve to the public water or sewer system either directly to a public main line or indirectly through a private main line.

2.26 Tap Fee. “Tap Fee” means the payment to the District of a fee for the privilege of connecting a particular use to the water or sewer system. The tap fee may also be known as a “Use Fee” or “Plant Investment Fee”, and is dependent upon the impact of a use or expanded use. Physical tapping is not the criteria for the obligation of paying a tap fee.

2.27 Any Other Term. Any other term not herein defined shall be defined as presented in the “Glossary - Water & Sewage Control Engineering”, A.P.H.A., A.W.W.A., A.S.C.E. and F.W.S.A., latest editions.

ARTICLE III

BY-LAWS

3.1 Place of Business.

3.1.1 District Office. The principal office of the District shall be at Silvercreek Water and Sanitation District office, 336 Spruce Drive, Post Office Box 4014, Silvercreek, Colorado 80446. The Board may, from time to time, designate, locate and relocate its executive and business office and such other offices as, in its judgment, is necessary to conduct the business of the District.

3.2 Board of Directors.

3.2.1 General Powers. All owners, privileges and duties vested in, or imposed by, the District by law, shall be exercised and performed by and through the Board, whether set forth specifically or implied in these By-Laws. The Board may delegate to officers and employees of the District any or all administrative and ministerial powers.

3.2.2 Qualification and Terms of the Directors. Board members shall be qualified electors of the District. The term of each member shall be determined by relevant statutory provisions with elections held in even-numbered years and conducted in the manner prescribed by Title 32, Part 8 of Article 1, C.R.S., as amended.

3.2.3 Directors' Oath of Office. Each member of the Board, before assuming the responsibilities of his/her office, shall, at the expense of the District, furnish a faithful performance surety bond in no less sum of \$1,000.00 and shall take and subscribe an oath of office in the following form, to wit:

OATH OF OFFICE
OF
DIRECTOR
STATE OF COLORADO
COUNTY OF GRAND

I, _____, will faithfully support the Constitution of the United States and the State of Colorado, and the laws made pursuant thereto, and will faithfully perform the duties of office of Director of the SilverCreek Water and Sanitation District, upon which I am about to enter.

Signature _____

Subscribed and sworn to before me this day of _____ 20 .

County Clerk, Chairman of the Board of Directors, or Notary Public

3.2.4 Vacancy on Board. Any vacancy occurring on the Board shall be filled by majority vote of the Board until the next biennial election when the vacancy shall be filled by election for the remainder of the term or for a new term, as applicable.

3.2.5 Conflict of Interest. Any member of the Board who has a substantial direct or indirect interest in any non-governmental entity participating in a transaction with the District shall disclose a "potential conflicting interest", and if possible, refrain from participating in the transaction. If not possible, a disclosure of the potential conflict of interest shall be made by providing seventy two (72) hours actual advance written notice to the Secretary of State and to the governing body of the District, in accordance with C.R.S., §18-8-308, as amended.

3.3 Officers.

3.3.1 Election of Officers. The Board of Directors shall elect one of its members as Chairman of the Board and President of the District, one of its members as a Treasurer of the Board, and a Secretary who may be a member of the Board. The Secretary and Treasurer may be one person, but if such is the case he shall be a member of the Board. The election of the officers shall be conducted biennially at the first regular meeting of the Board following the regular biennial election of the directors held in May of even-numbered years. Each officer so elected shall serve for a term of two years, which term shall expire upon the election of his successor or upon his re-election to that office.

3.3.2 President. The president is the chairman of the Board and presides at all meetings. He or she also is the chief executive officer of the District. Except as otherwise authorized, the president shall sign all contracts, deeds, notes, debentures, warrants and other instruments on behalf of the District.

3.3.3 Secretary. The secretary shall keep the records of the District; shall, act as secretary at meetings of the Board and record all votes; shall compose a record of the proceedings of the Board in a minute book kept for that purpose, which shall be an official record of the Board; and shall perform all duties incident to that office. He or she shall be custodian of the seal of the District and shall have the power to affix such seal to all contracts and instruments authorized to be executed by the Board.

3.3.4 Treasurer. The treasurer is chairman of the Budget Committee and of the Auditing Committee. He or she shall supervise the financial records of the District and shall, before assuming the duties of his or her office, furnish a faithful performance surety bond at the expense of the District, in such amounts as the Board may direct, but for not less than \$5,000.00.

3.3.5 Additional Duties and Other Officers. The Board may appoint such other members of the Board as vice president and assistant secretary/treasurer as it deems appropriate. The officers of the Board shall perform such other duties and functions as may, from time to time, be required by the Board, by the By-Laws or Rules and Regulations of the District or by special circumstances, which actions may later be ratified by the Board.

3.4 Board Meetings.

3.4.1 Regular Meetings. Regular meetings of the Board shall be held once each month at a time and place as is established and duly posted by the Board. Notice of time and place designated for all regular meetings shall be posted in at least three (3) public places within the limits of the Special District, and, in addition, one such notice shall be posted in the office of the County Clerk and Recorder. Such notice shall remain posted and be changed if meetings are changed. Such regular meetings may be cancelled, postponed or continued by the Board as it deems appropriate.

3.4.2 Special Meetings. Special meetings of the Board may be called upon three days notice which shall be posted in the same manner as posting of regular meetings.

3.4.3 Notice of Meetings. The established monthly regular meeting time for the Board shall constitute formal notice of regular meetings and no other notice shall be required to be given to the Board. All meetings of the Board, other than executive sessions, shall be open to the public.

3.5 Conduct of Business.

3.5.1 Quorum Required. No business of the five person Board of Directors shall be transacted except at a regular or special meeting at which a quorum consisting of three Directors shall be present. Neither proxies nor telephonic communication shall be sufficient to establish a quorum or presence at meetings.

3.5.2 Voting on Business Matters. Any formal business of the Board shall require the affirmative vote of a majority of the Directors present and voting. When special or emergency circumstances affecting the health, safety and welfare of the District's residents so dictate, actions by those Directors available at the time may be ratified at the next meeting of the Board.

3.5.3 Resolutions and Orders. Each and every action by the Board necessary for the governing and management of the affairs of the District, for the execution of the powers vested in the District, and for carrying into effect the statutory provisions applicable to the District, should be taken by the passage of motions, resolutions and/or orders.

3.5.4 Minute Book. Within a reasonable time after the action, all orders, resolutions, motions and other actions shall be recorded in a book kept for that purpose and shall be attested by the secretary for the meeting.

3.5.5 Order of Business. The business of all regular meetings of the Board shall be transacted as practicable in the following order:

- A. Roll call
- B. Approval of minutes of previous meeting
- C. Unfinished business
- D. Reports of officers, committees and professional consultants
- E. Hearings, resolutions, election matters, etc.
- F. New business and special orders
- G. Approval of disbursements
- H. Adjournment

3.5.6 Rules for the Conduct of Meetings

Rule 1

The Agenda

The District Manager's office shall be responsible for establishing and posting the order of business and/or agenda items. Any director may add an item to the agenda, but no director may remove an item from the agenda without a motion. The Board of Directors of the SilverCreek Water & Sanitation District is a local public body as defined in 24-6-402, C.R.S.

Rule 2

Role of the Chair

Authority for conduct of the meeting is assigned to the Chair, who shall be responsible for timely, fair and reasonable conduct of the meeting's business. Decisions of the Chair are final on questions of procedure, except that any ruling can be appealed to a vote of the meeting. If a ruling of the Chair is corrected by the meeting, the Chair shall amend its ruling to reflect the will of the meeting.

Rule 3

General Discussion

Issues that require consideration of the meeting may be discussed with or without formal motion. An issue may be resolved by recording (a) the general consensus, direction or "sense of the meeting," or (b) by a formal motion.

Rule 4

Motions and Resolutions

A motion may be made by any Board member and shall be deemed seconded, when seconded, the Chair calls for either a discussion or a vote. The budget, appropriations, tax levies, contracts, appointments, agreements, and any matter requiring approval pursuant to a statutory requirement, directions to the Treasurer and any other matter requiring a more formal action shall be followed by a Resolution of the Board.

Pursuant to C.R.S. 24-18-109 (3)(a), a member of the governing body of a local government who has a personal or private interest in any matter proposed or pending before the governing body shall disclose such interest to the governing body and shall not vote thereon and shall refrain from attempting to influence the decisions of the other members of the governing body in voting on the matter.
(Amended 1/14/14)

Pursuant to C.R.S. 24-18-109 (3)(b), a member of the governing body of a local government may vote notwithstanding C.R.S. 24-18-109 (3)(a) if his participation is necessary to obtain a quorum or otherwise enable the body to act and if he complies with the voluntary disclosure procedures under section C.R.S. 24-18-110.

Rule 5

Executive Sessions and Open Meetings

The rules governing Executive Sessions and Open Meetings have been more specifically defined by House Bill 01-1359 which became effective August 8, 2001.

Under section 24-6-402, C.R.S., local public bodies may utilize executive sessions for considering any of the following matters:

(4)(a) The purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest.

(4)(b) Conferences with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions.

(4)(c) Matters required to be kept confidential by federal or state law or rules and regulations. The local public body shall announce the specific citation of the statutes or rules that are the basis for such confidentiality before holding the executive session.

(4)(d) Specialized details of security arrangements or investigations, including defenses against terrorism, both domestic and foreign, and including where disclosure of the matters discussed might reveal information that could be used for the purpose of committing, or avoiding prosecution for, a violation of the law.

(4)(e) Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators.

(4)(f)(I) Personnel matters except if the employee who is the subject of the session has requested an open meeting, or if the personnel matter involves more than one employee, all of the employees have requested an open meeting. The provisions of this paragraph (f) shall not apply to discussions concerning any member of the local public body, any elected official, or the appointment of a person to fill the office of a member of the local public body or an elected official or to discussions of personnel policies that do not require the discussion of matters personal to particular employees.

(4)(g) Consideration of any documents protected by the mandatory nondisclosure provisions of the "Colorado Open Records Act", part 2 of article 72 of title 24; except that all consideration of documents or records that are work product as defined in section 24-72-202 (6.5) or that are subject to the governmental or deliberative process privilege shall occur in a public meeting unless an executive session is otherwise allowed pursuant to this subsection (4).

When an Executive Session is called, the member of the Board calling for the session must identify which section above the session entails, the topic for discussion, and give as much information as possible about the subject without jeopardizing the session.

3.6 Other Personnel.

3.6.1 District Manager. The Board may appoint a manager to serve for such term and upon such conditions, including compensation, as the Board may establish. The manager shall have general supervision over the administration of the affairs, employees and business of the District and shall be charged with the hiring and discharging of employees and the management of District properties. He shall supervise the care and custody of all funds of the District and shall have deposited the same in the name of the District in such bank or banks as the District may select. He should approve all vouchers, orders and checks for payment and shall see that regular books of account of all District transactions are kept.

3.6.2 Personnel Selection and Tenure. The selection of agents, employees, engineers, accountants, attorneys and special consultants of the District by the Board will be based upon the relative qualifications and capabilities of the applicants and shall not be based on political services or affiliations. Agents and employees shall hold their offices at the discretion of the Board. Contracts for professional services of engineers, accountants, attorneys and special consultants may be entered into on such terms and conditions as the Board may deem reasonable and proper.

3.7 Indemnification of Directors and Employees. The District will defend, save harmless and indemnify an officer, agent or employee, whether elective or appointive, against any tort or professional liability, claim or demand, whether groundless or otherwise, arising out of any alleged act or omission occurring in the performance of duty. The District will compromise and settle any such claim or suit and/or pay the amount of any settlement or judgment rendered thereon.

A. For the purposes of this Section only, the following definitions shall apply:

1. Employee. "Employee shall refer to an officer, employee, servant or any other person employed by the District who works under the control of the District as well as any elected or appointed official, whether or not compensated. The term "employee" specifically excludes any person or organization contracting to perform services or acting for the District as an independent contractor. District employees are subject to the rules of conduct, C.R.S. 24-18-109. (Amended 1/14/14)

2. Performance of Duty. The term “performance of duty” shall be interpreted as broadly as possible to include any situation in which a District employee could conceivably be deemed to be acting within the scope of his employment. It shall specifically extend to all employees who are providing service on a voluntary basis or otherwise to any private, corporate, governmental agency other than the District when doing so with the express or implied consent or authorization from the District. The term “performance of duty” shall not include any act or omission constituting deliberate and intentional tortious or criminal conduct, or malfeasance in office, or willful or wanton neglect of duty.

B. The District reserves the right to designate the attorney appointed to defend any employee in any tort or professional liability action instituted pursuant to this section.

C. The District agrees to indemnify any employee up to, but not to exceed, the amount of \$150,000.00 per person with an aggregate limit of \$400,000.00 for any number of claims arising out of a single occurrence, or in the maximum amounts otherwise specified under the Colorado Governmental Immunity Act (Title 24, Article 10, C.R.S., as amended). The District specifically reserves any defenses which are made available to employees by said Act.

D. All claims to be paid pursuant to this Section shall be paid by the District or its insurer. Any judgment or settlement in a claim against the District shall be paid in accordance with the provisions of said Governmental Immunity Act.

E. No defense or indemnification shall be provided by the District to any employee in any of the following circumstances:

1. If the employee fails to use due care in reporting to the District any incident which he might reasonably expect to result in a claim of tort liability against him or the District.

2. If any employee fails to notify the District of any notice of claim or summons and complaint served upon him commencing a suit or damages reimbursable pursuant to this Section; such notice shall be given to the District within ten (10) business days of its service upon the employee.

3. If an employee fails to exercise reasonable efforts to notify the District of any claim which is informally asserted against him for damages reimbursable pursuant to this Section.

4. If an employee refuses to cooperate with an investigation or defense of any lawsuit by the District, or its insurer, or by any private attorney employed by the District to furnish the defense to said employee, or any private investigator hired by the District to investigate such tort or professional liability claim.

F. If the District or the employee against whom a claim reimbursable hereunder is asserted has any other valid insurance, bond or indemnification plan available covering the loss or damage alleged against him, such insurance, bond or other plan will first be applied to the payment of any claim. In this event, the obligation of the District to indemnify and save harmless the employee shall exist only for liability incurred in excess of such other coverage.

G. In the event of any payment made pursuant to this Section, the District shall be subrogated to all of the employee's rights of recovery therefore against any person or organization, and the employee shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights of subrogation. The employee shall do nothing to prejudice such rights.

H. No assignment of indemnification shall be permitted without the written consent of the District, signed by the president and no such assignment shall bind the District unless such written consent is given prior to assignment. If, however, the employee shall die, the benefits of this Section shall be available to, and apply fully to, the employee's legal representative, but only while acting within the scope of his duties as such.

I. Any defense and indemnification available to an employee under this Section shall continue to be available after the termination of his employment if the act or omission causing such liability occurred during the course of his duties while an employee of the District. Such defense and indemnification shall not be available to a former employee, however, in the event that the tort or professional liability claim against him is asserted as a counterclaim or off-set in any suit brought by the employee, except to the extent that the liability of such employee may exceed the amount of his own claim or suit.

J. The provision of this Section shall be subject to and, to the extent of any inconsistency therewith, shall be modified by, said Colorado Governmental Immunity Act.

3.8 Bidding and Contracting Procedures for Construction Projects. Except in cases in which a district will receive aid from a government agency, a notice shall be published for bids on all contracts for improvements, materials and/or professional and technical services that generate an expense of \$60,000.00 or more. The District may reject any and all bids, and if it appears that the District can perform the work or secure material for less than the lowest bid, it may proceed to do so. (Amended 1/14/14)

A Notice or Invitation to Bid shall be published in a newspaper of general circulation within the District boundaries once per week for three consecutive weeks. Notice will request sealed proposals for the construction to be done, or for the materials needed. The scope, terms and conditions associated with the contract will be stated; where and when the plans, specifications, or request for proposals may be examined; and the time and place the sealed proposals will be opened and publicly read. (Amended 1/14/14)

The Board retains the rights in its sole discretion to reject any or all proposals; determine the proposal and subcontractors that will serve the best interests of the District, and select the proposal and subcontractor which is most responsible to perform the work.

Bids must be accompanied by an acceptable bidder's bond, or a certified check payable to the District, in an amount equal to 5% of the bid. If, within the time designated in the Notice of Award, the contract is not executed, and a Performance Bond and Certificates of Insurance are not provided, the District shall keep the bid bond liquidated damages, and assess such other damages as the District may determine.

For construction contracts, ten percent of all pay estimates shall be withheld during the construction until 50% of the contract work has been performed, thereafter, no additional sums may be withheld. For any contract exceeding \$80,000.00 the contractor may deposit acceptable securities in lieu of such retained amounts in accordance with law. The provisions of Title 38, Article 26, Colorado revised statutes shall govern, where applicable, all district contracts. (Amended 1/14/14)

3.9. Financial Administration.

3.9.1 Fiscal Year. The fiscal year of the District shall commence on January 1 of each year and end on December 31.

3.9.2 Budget. On or before September 20th of each year, the District Manager shall prepare and submit to the Board of Directors a proposed budget for the ensuing fiscal year. Such proposed budget shall be accompanied by a statement which shall describe the important features of the budget plan and by a general summary wherein shall be set forth the aggregate figures of the budget in such manner as to show the balanced relation between the total proposed expenditures and the total anticipated income or other means of financing the proposed budget for the ensuing fiscal year. Said summary shall also include the final figures for the last completed fiscal year and the corresponding estimated figures for the current fiscal year. It shall be supported by explanatory schedules or statements classifying the expenses contained therein by services, subjects and funds. The anticipated income of the District shall be classified according to the nature of receipts. (Amended 1/14/14)

3.9.3 Notice of Budget. Upon receipt of such proposed budget, the Board of Directors shall publish a notice that the proposed budget is open for inspection by the public at the business office; that the Board of Directors will consider the adoption of the proposed budget on a certain date; and that any interested taxpayer may inspect said budget and file or register any objections thereto at any time prior to its final adoption. Notice shall be published in compliance with Section 29-1-108, C.R.S., as amended.

3.9.4 Adoption of Budget. On the day set for consideration of such proposed budget, the Board of Directors shall review the proposed budget and revise, alter, increase or decrease the items as it deems necessary in view of the needs of the District and the probable income of the District. The Board shall then adopt a budget setting forth the expenditures to be made in the ensuing fiscal year. The Board of Directors shall provide for sufficient revenues to finance budget expenditures with special consideration given to the proposed ad valorem tax levy.

3.9.5 Filing of Budget. Upon the adoption of the budget, the Board shall cause a certified copy of such budget to be filed with the Division of Local Government at the Department of Local Affairs.

3.9.6 Levy and Collection of Taxes. On or before November 20th of each year, the Board shall certify to the Board of County Commissioners of the County the mill levy established for the ensuing fiscal year, in order that, at the time and in the manner required by law for the levying of taxes, such commissioners shall levy such tax upon the assessed valuation of all taxable property within the District.

3.9.7 Appropriating Resolution.

A. At a meeting held before January 1st of the ensuing fiscal year, the Board of Directors shall enact a resolution making appropriations for the ensuing fiscal year. The amounts appropriated there under shall not exceed the amounts fixed therefore in the budget previously adopted.

B. The income to the District, as estimated in the budget and as provided for in the tax levy resolution and other revenue and borrowing resolutions, shall be allocated in the amounts and according to the funds specified in the budget for the purpose of meeting the expenditures authorized by the appropriation resolution.

C. The Board of Directors may make an appropriation to and for a contingent fund to be used in cases of emergency or other unforeseen contingencies.

3.9.8 No Contract to Exceed Appropriation. The Board shall have no authority to enter into any contract, or otherwise bind or obligate the District to any liability for payment of money for any purposes, for which provision is not made in the appropriation resolution or is in excess of the amounts of such appropriation for that fiscal year. Any contract, verbal or written, contrary to the terms of this subsection shall be void ad initio, and no District funds shall be expended in payment of such contracts, except as authorized by the voters of the District and as provided in the following subsection.

3.9.9 Contingencies.

A. In cases of emergency caused by a natural disaster, public enemy, or some contingency which could not reasonably have been foreseen at the time of the adoption of the budget, the Board of Directors may authorize the expenditure of funds in excess of the budget by resolution duly adopted by a two-thirds vote of the entire membership of the Board. Such resolution shall set forth in full the facts concerning the emergency and shall be included in the official minutes of that meeting.

B. If so enacted, a copy of the resolution authorizing additional expenditures shall be filed with the Division of Local Government at the Department of Local Affairs and shall be published in compliance with the State Statute.

3.9.10 Annual Audit.

A. The District shall cause an annual audit to be made during the month of January of all financial affairs of the District through December 31st of the prior fiscal year. The audit report must be submitted to the District within six months of the end of the prior fiscal year. Such audit shall be made by a registered or certified public accountant, who has not maintained the books, records and accounts of the District during the subject fiscal year.

B. A copy of the audit report shall be maintained in the District office as a public record for public inspection at all reasonable times.

C. The treasurer shall forward a copy of said audit report to the State Auditor, or other relevant State Official, pursuant to statutory requirements, within thirty days following completion of the audit.

ARTICLE IV

4.1 Ownership and Operation of Facilities.

4.1.1 Responsibilities of District. The District is responsible for the provision and/or the operation and/or the maintenance of the sewage collection system, water distribution systems and water treatment works, which operation and maintenance shall be carried out in a sound and economical manner, in accordance with these Rules and Regulations. It shall not be liable or responsible for inadequate treatment or interruption of service brought about by circumstances beyond its control. (Amended 1/14/14)

The District is generally responsible for providing capital facilities for the water system and sewage collection, and shall endeavor to plan for, capitalize and build such adequate capital improvements as rapidly as possible consistent with fiscal responsibility and the best interests of the District; but the District shall not be liable or responsible for failure to approve additional service when capacity is exceeded by demand.

The District has an intergovernmental contract with Granby Sanitation District for sewage treatment(hereafter Granby) and with the Granby/SilverCreek Water and Waste Water Authority(hereafter Town of Granby) with regard to the provision of water. District's responsibilities for treatment of sewage is therefore limited and controlled by the performance by Granby of its obligations under such Contract, and amendments. Silvercreek District shall not be liable for damage or injury caused as a result of Granby's actions or inactions relative to treatment of sewage, or from the operation and affect of said Contract with Granby, including but not limited to the expansion of capital facilities for sewage treatment for which Granby exercises sole control and authority. Silvercreek District has no authority to require Granby to expand its capital facilities without Granby's consent and active participation. The District is responsible for the provision of water to it's users. The District has contracted with the Authority for that water. Both the District and the Authority provide water pursuant to the agreement between them. (Amended 1/14/14)

4.1.2 Liability of District. It is expressly stipulated that no claim for damage shall be made against the District by reason of the following: Blockage in the system causing the back-up of effluent; damage caused by “smoking” of lines to determine drainage connections to District lines; breakage of service mains by District personnel; for interruption of service and the conditions resulting including but not limited to the expansion of capital facilities for sewage treatment for which Granby exercises sole control and authority. Silvercreek District has no authority to require Granby to expand its capital facilities without Granby’s consent and active participation.

It is expressly stipulated that no claim for damage shall be made against the District by reason of the following: Blockage in the system causing the back-up of effluent; damage caused by “smoking” of lines to determine drainage connections to District lines; breakage of service mains by District personnel; for interruption of service and the conditions resulting there from; breaking of any service or supply line, pipe, cock, or meter by any employee of the District; failure of the water supply; shutting off or turning on water in the water mains; making of connections or extensions; damage caused by water running or escaping from open or defective faucets; burst service pipes or other facilities not owned by the District; damage to water heaters, boilers, or other appliances resulting from shutting water off, or for turning it on, or from inadequate or sporadic pressures; or for doing anything to the systems of the District deemed necessary by the Board of Directors or their agents; or for any actions or inactions of Granby Sanitation District.

The District shall have no responsibility for notification to customers of any of the foregoing conditions. The District hereby reserves the right to cut off service at any time, for any reason deemed appropriate. This paragraph shall not relieve the District from liability for negligence of its employees, if such liability would otherwise have existed.

4.1.3 Ownership of Facilities. All existing and future mains, and other appurtenances connected with and forming an integral part of the water or sewage system (excluding the Granby treatment facilities) shall become and are the property of the District, unless any contract with owner or customer provides otherwise. The District may acquire water treatment works in the future. Said ownership will remain valid whether such mains and treatment works are constructed, financed, paid for, or otherwise acquired by the District, or by other persons. That portion of all existing or future service lines extending from the main to each unit or building for each customer that is connected with and forms an integral part of the District’s system, shall become and is the property of the customer. This principle shall not be changed by the fact the District might construct, finance, pay for, repair, maintain or otherwise affect the customer’s service line. (Amended 1/14/14)

4.1.4 Inspection Powers and Authority of District Agents. The manager, superintendent, and other duly authorized employees of the District, bearing proper credentials and identification, shall be permitted to enter upon all properties for the purpose of inspection, observation, measurement, sampling and testing, in accordance with the provisions of these Rules and Regulations.

4.1.5 Modification, Waiver and Suspension of Rules. The Board or the Manager acting on instructions of the Board shall have the sole authority to waive, suspend or modify these rules, and any such waiver, suspension or modification must be in writing, signed by the Board or the Manager. Such waiver shall not be deemed an amendment of the Rules.

4.2 Use of Sewer and Water System. Including but not limited to the expansion of capital facilities for sewage and water treatment for which Granby exercises sole control and authority. Silvercreek District has no authority to require Granby to expand its capital facilities without Granby's consent and active participation. Currently (as of Sept. 1, 2013) the District's water treatment is provided by the Authority and any expansion of the Authority's water treatment system must be pursuant to Authority action. (Amended 1/14/14)

4.2.1 Responsibilities of the Customer. The customer is required to notify the District upon change of ownership. Every customer shall have additional responsibilities to the sewer or water system as follows:

A. Sewage System

1. Each customer shall be responsible for maintaining the entire length of the service line serving his property. Leaks or breaks in the service line shall be repaired by the property owner within seventy-two (72) hours of obtaining knowledge of a leak or from the time of notification of such condition by the District. If satisfactory progress toward repairing the said leak has not been completed within the same time period, the Manager shall shut off the service until the leaks or breaks have been repaired; in addition, the District shall have the right to effect the repair and collect the cost therefore from the customer, and shall be entitled to a lien against the property of such customer, securing payment of such costs.

2. No person shall discharge, or cause to be discharged, any storm water, surface water, ground water, roof run-off, subsurface drainage, cooling water, or unpolluted industrial process waters to any sanitary sewer. No public or private swimming pool shall be connected with the sanitary sewer system without first obtaining a special permit therefore from the District, which permit shall define and specify the hour or hours during which water may be discharged from such pools into the sanitary sewer system and prescribe the fees and charges therefore, if any.

3. No person shall discharge, or cause to be discharged, to any sewer main, any special or prohibited sewage or any harmful waters or wastes, whether liquid, solid, or gas, capable or causing obstruction to the flow in sewers, damage or hazard to structures, equipment and personnel of the sewage works, or other interference with the proper operation of the sewage works.

4. The admission into the public sewers of any special sewage shall be subject to the review and approval of the Board, which may prescribe limits on the strength and character of such sewage. Where necessary, in the opinion of the Board, the owner shall provide, at his expense, such pretreatment facilities as may be necessary to treat such special sewage prior to discharge to the sewer main. Plans, specifications, and any other pertinent information relating to proposed pretreatment facilities shall be submitted for the approval of the District and of the State Board of Health, and no construction of such facilities shall be commenced until such approval is obtained in writing. Where pretreatment facilities are provided for any special sewage, they shall be maintained continuously in satisfactory and effective operation by the owner, at his own expense.

5. When required by the District, the owner of any property served by a service line carrying special sewage shall install and maintain, at his expense, a suitable control manhole in the service line to facilitate observation, sampling and measurement of the wastes. The manhole shall be installed by the customer and maintained at his expense. All measurements, tests, and analyses of the characteristics of waters and wastes shall be determined in accordance with "Standard Methods for the Examination of Water and Sewage", and shall be determined at the control manhole, or upon suitable samples taken at said control manhole. In the event that no special manhole has been required, the control manhole shall be considered to be the nearest downstream manhole in the sewer main to the point at which the service line is connected. Grease, oil and sand interceptors of a design recommended by the Colorado State Board of Health shall be provided when, in the opinion of the said Inspector, they are necessary for the proper handling of special sewage or liquid wastes containing grease in excessive amount, or any flammable wastes, sand and other harmful ingredients; except that such interceptors shall not be required by private living quarters or dwelling units. Where installed, they shall be maintained by the owner, at his expense, in continuously effective operation at all times.

B. Water System

Every Customer shall take note that there is no waste way in the shut-off at the curb box, nor at the main, and that any water standing in the pipes when water is turned off at shut-off, if any, will remain there unless drained out by the customer by means of a stop and waste valve. Employees of the District are expressly forbidden to manipulate the stop and waste valve, or do any other plumbing work whatsoever except on facilities owned by the District, except as specially directed. It is expressly stipulated that the District will assume that every property is equipped with a stop and waste valve, and failure of any property owner to so equip his property will, under no circumstances, alter the liability of the District. Each person having boilers and/or other appliances on their premises depending on pressure or water in pipes, or on a continual supply of water, shall provide, at their own expense, suitable safety devices to protect themselves and their property against a stoppage of water supply or loss of pressure.

1. It shall be unlawful for any person other than authorized personnel to have in his or her possession a hydrant wrench or valve shut-off key; any police officer, personnel of the District or fire department are hereby authorized to confiscate any hydrant wrench or valve shut-off key found in the possession of any unauthorized person.

2. All water meters shall become and are the property of the District. Said ownership shall remain valid whether the meters are installed, financed, paid for, repaired, or maintained by another person. The District shall have the right, but not the responsibility, to test, remove, repair, or replace any and all water meters. It shall be the duty of each customer to notify the District office if his water meter is operating defectively. The owner(s) of the property for which the meter(s) was installed, shall be responsible for any and all repairs (labor and materials) or replacement of said meter(s).

4.3 Application for Service.

4.3.1 Inclusions. Service will be furnished only to a person whose property is included within and subject to the Rules and Regulations and taxation by the District, subject to the provisions of these Rules and Regulations.

Inclusion fees to be paid and will be reviewed on an annual basis by the Board.

It shall be incumbent upon the applicant to furnish satisfactory evidence of inclusion whenever such evidence is requested by the District. Satisfactory evidence shall consist of tax receipt, or certification in lieu thereof, received from and signed by the County Treasurer.

A formal request for inclusion within the District shall be made to the District, on its standard form, by the applicant.

A) The SCWSD and any proponent of an Inclusion shall enter into a Pre-Inclusion Agreement which shall include, but not be limited to the following:

- A) Legal description of property to be included
- B) Exact number of SFE to be served
- C) Zoning of property
- D) Water Rights to be deeded to SCWSD
- E) Inclusion fees to be paid and will be reviewed on an annual basis by the Board

- F) Water Right fees to be paid and/or Water Rights to be Deeded to SCWSD
- G) Rights of SCWSD not to serve additional SFE or change in use without specific approval of District
- H) Water/Sewer improvements required and to be paid by the proponent
- I) No mill levies in excess of 25 mills will be allowed by any other overlapping District
- J) Other requirements deemed appropriate by the SCWSD (i.e. Kaibab Sewer Line dedication)
- K) Weather outside watering will be allowed
- L) Full Compliance with all SCWSD Rules and Regulations as amended
- M) Prohibition of potentially pollutant land uses
- N) Inclusions will be reviewed on a case by case basis. Each proposed inclusion
 - will be reviewed on an individual basis to determine the merits of the inclusion. The availability of water rights, well pumping capacity, and sewer plant and pipe line capacities will all be significant factors.
- B) The SCWSD generally will include property at time of Subdivision (i.e. not vacant unsubdivided lands)

4.3.2(a) Water Meter Required. No connection shall be made to the District's system without a water meter having been installed to serve the subject unit. All water meters shall have devices for remote reading. The type of water meter and location of the meter shall be subject to the approval of the District. Applicant shall pay the cost of such meters and reading devices which shall not be part of the tap fee.

4.3.2 (b) Pressure Reducing Valve Required. The SilverCreek Water and Sanitation District highly recommends that a pressure reducing valve be installed on the service line between the water meter and the main line for all existing customers. A pressure reducing valve is “required” and shall be installed on all new homes/condos/commercial properties constructed after June 1, 2009.

4.3.3 Water Saving Device Required. All new connections are required to install water saving devices as follows:

A. All toilets shall have a maximum flush of 2.5 gallons.

The type of toilet shall be specified on the permit and shall be subject to approval by the Board.

4.3.4 Service outside the District. No service shall ever be provided property outside of the District, except upon the express written consent of the District.

Charges for furnishing service outside of the District shall be at the discretion of the Board of Directors, but no service shall be furnished to property outside of the District unless the charge therefore equals at least the cost of service, plus the estimated mill levy and tap fees for which such property would be responsible if it were a part of the District.

In every case where the District furnished service to property outside the District, the District reserves the right to discontinue the service when, in the judgment of the Board of Directors, it is for the best interest of the District to do so, and such license shall be considered a revocable license, unless otherwise agreed by the Board. (amended 1/14/14)

4.3.5 Application for Service. Application for service must be filed with the District on forms provided by the District and accompanied by appropriate fees prior to any action to connect to the system. Only upon authorized approval of the application and a receipt therefore, may a connection to the system be made. A duplicate copy of the receipt, or approved application, must be filed with the Building Department of the County or respective Town.

The location of the water meter and the remote reading device are required on all applications for service.

If a water sprinkler system for fire protection is to be used, a plan of the system is to accompany the application and is subject to approval of the District. All water sprinkler systems shall meet NFPA requirements and additionally shall meet the requirements of all applicable City, County or State building and fire protection codes.

No taps will be permitted or made between October 15th and May 15th, without specific, formal approval of the Board. All information requested on the tap application form must be completed, and a diagram of the stop box location included. The application shall describe the property, location and uses to be served. No tap fees shall be transferred to other property, sold or assigned (except as part of the sale of the property to be served)

4.3.6 Cancellation of Application and Pre-paid Taps. Application for service does not bind the applicant to use the service. However, if the District has commenced to charge applicant for all or part of any service charges prior to connection or use, applicant shall make payment of the said monthly service charge.

If application for service is made and all or part of the tap fees are paid, but prior to actual connection or use, and if service charges are not paid in full for a period of twelve months, the application shall be deemed to be abandoned and cancelled. No refund shall be made to the applicant for any service charges or tap fees previously paid to the District.

Other than for non-payment of service fees as provided herein, taps may not be abandoned without the prior approval of the District and in the case of sewer taps paid to Granby Sanitation District, with its approval. Such abandonment and cancellation shall terminate the obligation for payment of the service charges due at such time, and collection efforts shall continue for such amount due.

Prepaid taps fees for which Applicant does not intend to connect within twelve months will be allowed only by District's prior approval. If District (by its Board) believes that such prepaid taps would not then be in the best interest of the District, no prepaid tap fees shall then be paid by Applicants nor received by District.

4.3.7 Denial of Application. The District reserves the exclusive right to deny application for service when in the opinion of the Board, the service applied for would create an excessive seasonal, or other, demand on the facilities. Denial may also be based upon an unresolved obligation between the District and the applicant, inadequate documentation of easements for main lines serving the property, or other valid reasons. Denial may also be made if such wastewater cannot be treated pursuant to the contract with Granby Sanitation District.

4.3.8 Change in Customer's Equipment or Service. No change in the customer's equipment or service shall be made without the prior approval of the District being first obtained at any time, any change in a customer's equipment or service which increases the service provided by the District shall require a re-determination of the tap fee, monthly service charge and payment of any additional tap fee and monthly service charge, and the customer shall then be responsible for payment of any additional tap fee and service charge so determined. The re-determined tap fee shall allow a credit for previously paid tap fees. Changes in a customer's equipment or service which result in an increase in the service provided by the District, shall not result in a reduction nor refund of tap fees. When buildings are moved or destroyed, the tap authorization is terminated and no refund shall be made.

4.3.9 Unauthorized Connection Fees. An unauthorized connection fee equal to twice the normal tap fee due shall be payable by connection fees, approval of application, or adequate inspection of lines.

4.3.10(A) Service Disconnection Procedures. If a customer's outstanding balance exceeds two (2) times the regular monthly service charge, a certified letter **may** be sent to the customer informing him of the time, date, and place of a public hearing to be held for the purpose of discussing disconnection of services. The customer shall come to the hearing and be prepared to discuss the reasons for the delinquency, possible billing errors, and plans to bring the account current.

If the customer's outstanding balance is not paid in full within one (1) week following said public hearing, the Board of Directors has the right to require disconnection of either water or sewer service or both. (Amended 1/14/14)

The above policy applies to all customers, irregardless of the number of taps owned.

4.3.10(B) Tap Abandonment Procedures - Connected Taps. If a customer's outstanding balance exceeds twelve (12) times the regular monthly service charge, a certified letter may be sent to the customer, at the Board's discretion, informing him of the time, date, and place of a public hearing to be held for the purpose of discussing abandonment of the tap(s). The customer shall come to the hearing and be prepared to discuss the reasons for the delinquency, possible billing error, and plans to bring the account current.

If the customer's outstanding balance is not paid in full within one (1) week following said public hearing, then the Board of Directors shall have the right to consider the tap(s) abandoned.

For any abandoned tap, a full tap fee shall be paid in full if a customer desires reconnection upon abandonment of a tap, no refund shall be made on any tap fees or service charges previously paid.

4.3.11 Guaranteeing of Taps. No sewer/water tap shall be guaranteed for future connection unless the full amount of the tap fee shall have been paid at the time such guarantee is requested and unless the appropriate application as otherwise provided in these Rules, Regulations and By-Laws shall have been completed and approved by the Board of Directors, or their authorized employees or agents.

**Pursuant to 4.6.4, these Regulations, to the extent that the portion of the sewer tap applicable to the Granby Sanitation District Tap Fee has been paid without payment of the balance to the Silvercreek Water & Sanitation District, then notwithstanding that a tap into the Granby Sanitation District has been reserved, and in effect, guaranteed no guarantees shall be made by the Silvercreek Water & Sanitation District nor reserved until the full amount of the balance of the tap fee has been paid to the Silvercreek District.

**Pursuant to 4.6.4, these Regulations, to the extent that the portion of the water tap applicable to the Authority Tap Fee has been paid without payment of the balance to the SilverCreek Water & Sanitation District, then notwithstanding that a tap into the Authority has been reserved, and in effect, guaranteed no guarantees shall be made by the SilverCreek Water & Sanitation District nor reserved until the full amount of the balance of the tap fee has been paid to the SilverCreek District. (Amended 1/14/14)

With respect to these properties within the original boundaries of the District, those provisions relating in the above paragraph to sewer, shall likewise apply to water taps. With respect to those properties that were not within the original boundaries of the District, but which were subsequently annexed and for which sufficient water was (either prior to or at the time of, or subsequent to the time of such annexation) provided for such annexed property, the District shall guarantee to the entirety of such annexed parcel, water taps equal in amount to the water so supplied for that property by the annexing property owner. Such guarantee shall expire seven (7) years after the date of such annexation approval by the District. However, no such guarantee shall obligate the District to construct any capital improvements, including mains, pumps or other facilities. Additionally, such guarantees shall not waive the obligation of any property owner desiring to make such connection that the appropriate tap fees, service fees and all other payments be made as otherwise provided in these Regulations.

4.3.12 Outside Irrigation Charges

- 1) Outside watering is allowed within the SilverCreek Water and Sanitation District.
- 2) The District reserves the right to require the discontinuance of any outside watering at any time, if the District determines this is necessary to provide domestic water to its constituents.

4.4 Construction of Service Lines.

4.4.1 Charges for Inspection. All taps and all service lines must be inspected by the District. Constructors of service lines and taps shall call the District Superintendent for an open ditch inspection of all taps and service lines. If said inspection is not made within twenty-four (24) hours of the call, construction may proceed. There shall be a charge as follows:

Water Tap - \$50.00

Must be a wet tap, approved and inspected by District.

Sewer Tap - \$50.00

Over 6" requires an insertion into a manhole or a new manhole.

Stub-outs must be inspected, but there shall be no additional charge.

4.4.2 Construction by the District. Construction of all service lines shall be done by plumbers licensed in accordance with the Technical Plumbing Code of the State of Colorado, and as set forth in Appendix B entitled "Sewer Service Line Construction" and "Water Service Line Construction".

4.4.3 Construction by Property Owner. A separate and independent service line shall be provided for every building, and except as otherwise provided herein, shall be installed at the expense of the property owner.

There shall be one water meter installed for each separate building served.

The applicant for the connection permit shall notify the Superintendent when the service is ready for inspection and connection to the public main. The connection shall be made by bonded plumbers or pipe layers under the Superintendent's supervision, but plumbing contracted for by a licensed master plumber may be performed by him through journeymen plumbers or apprentices under his direction.

4.4.4 Existing Service Lines. Existing service lines may be used in connection with new buildings only when found, on examination by the Superintendent, to meet all requirements of these Rules and Regulations.

4.4.5 Revocation of Plumbers' Licenses. The violation of any of these Rules and Regulations, or the District's installation specifications, shall constitute sufficient grounds for revocation of the license. Whenever it appears a violation has been committed, the plumber shall be sent a written notice.

4.4.6 Plumber's License Not Transferable. No licensed plumber shall permit his license to be used by any other plumber, but plumbing work contracted for by a licensed plumber may be performed by him through journeymen plumbers or apprentices, under his direct supervision. Work performed through journeymen plumbers or apprentices shall not relieve the licensed plumber from any responsibility.

4.4.7 Compliance with Regulations. All contractors, plumbers and others doing work on any main, service lines, or structures in the District shall comply with all County, State Highway Department, Federal (including OSHA), or local regulations including but not limited to those in regard to backfill and (shoring), on excavation, backfill, compaction and restoration of surfacing.

4.4.8 Permits, Fees and Licenses. All permits, fees and licenses shall be paid by the contractor, plumber, or others doing work in the District, prior to the start of construction.

4.4.9 Excavations. All excavations for service installation shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways, and other public or private property disturbed in the course of the work shall be restored in a manner satisfactory to the Superintendent.

4.4.10 Daily Inspection Fees. All daily inspection fees on sewer construction required by the County or the State Highway Department shall be paid by the plumber, contractor, or others doing work for the District.

4.5 Main Extensions.

4.5.1 Appendix C-Applicable. Requirements in APPENDIX "C" of these Rules and Regulations are also applicable to this Section.

4.5.2 General Policy on Subsequent Extension Costs. The District is financing the initial installation of certain water and sewer mains as provided by its service plan on file with the Grand County District Court Civil Action No. 82-CV-67 and as amended by its resolutions subsequent thereto. Such financing is being paid from mill levy and service charges on all properties and users of the District, except as may be provided otherwise by resolution. Any additional extensions of water or sewer mains shall not be the general obligation of the District. Such extensions shall be paid for by the applicant desiring the extension. However, the District may assist financing such extensions if the cost will be paid only by the property to be served by the extension and if financing techniques are available to accomplish this. All costs of the District shall be paid by the applicant. Nothing contained herein shall obligate the District to such assistance if the Board of Directors determines that the financial assistance would not be in the best interests of the tax payers and users of the District as a whole.

4.5.3 Unlawful without Application and Board Approval. It shall be unlawful for any person to construct a main within the jurisdiction of the Board without having first made formal application to the Board for approval, and having complied with the regulations of the Board.

4.5.4 Plans Submitted to District's Engineer. All main extensions within the jurisdiction of the District must have the prior approval of the Board of Directors. Plans for such extension shall be submitted to the District's engineer, along with the application for a line extension. The staff shall then submit the recommended plans, with appropriate documentation, to the Board for final approval. Said plans shall be reviewed for compliance with the District's specifications, attached hereto as Appendix "C", and with other specifications and requirements appropriate to the situation, and such study for compliance shall be at the applicant's expense.

4.5.5 Processing Sewer Extensions with the State of Colorado. The District assumes no responsibility for the processing of, or decision not to process, an application for main line extension before the Colorado Department of Health or any other agency. The decision to process or not to process such an application rests solely with the developer or constructor of the main line, and the District assumes no responsibility or liability for that decision.

4.5.6 Locations of Main Extensions and Additions. Mains shall be installed in roads or streets which the County, State Highway Department, or other public agency has accepted for maintenance as a public right-of-way, as well as in easements or rights-of-way dedicated or granted to the District or for utility purposes. Any roads, easements or rights-of-way that have been dedicated or deeded to a corporation, homeowners' association or other person, shall require that entity's or person's deed to the District prior to approval of any application for main extension or installation.

4.5.7 Procedure for Main Extension Construction. If the applicant has agreed to the engineering layout or design and preliminary cost estimated for the work, he shall enter into a standard line extension contract with the District, covering standard regulations and specifications for line extensions and at the option of the District, he shall either:

A. Deposit in advance with the District an amount equal to the cost of the contract to be let, including engineering expenses, so that the District can construct the line extension through contract or with its own forces, or he shall

B. Obtain bids directly from contractors for the work, and furnish the District with a performance bond guaranteeing the performance of the work, holding the district harmless for the payment to the contractor, and one (1) year's maintenance bond. All such bids and contracts are subject to the approval of the District.

If (A) above is elected, and the cost of the work shall increase through change order, the applicant shall be so notified, and no change order shall be approved until the deficiency is added to the deposit. Upon completion of the work, the final cost shall be certified by the engineer and any overage refunded, or deficiency made up by the applicant. All costs of the District including, but not limited to, engineering, attorneys, supervision, reviews, special Board Meetings and other costs of the District caused by said main extension, shall be paid by applicant.

4.5.8 Paid for by the Board - Subject to Reimbursement. All main and lateral extensions which are approved and are to be constructed by the District shall be contracted for by the Board, with the contractor installing the mains being responsible to the Board. Construction of these lines, and consulting engineering fees as established herein, shall be paid by the Board, subject to the reimbursement provisions of this Section.

4.5.9 Performance and Maintenance Bond. A performance and maintenance bond equal to one hundred percent (100%) of contract (or construction cost) shall be furnished to the District on all main construction contracted for by the District.

4.5.10 Inspection and Permit Fees. All daily inspection fees on sewer mains required by the County, the State Highway Department, or local governments, shall be paid by the plumber, contractor, or others doing work in the District.

4.5.11 Special Structures. Special structures such as pumping stations pressure reducing valves, meter vaults, etc., required to insure proper operation of the extensions, shall be constructed from designs of the Board's engineers or such other engineers as may be approved by the Board.

4.5.12 Oversizing. The constructor may be responsible for "oversizing" main line extensions as required by the District. But see Section 4.5.17 (Amended 1/14/14)

4.5.13 Transfer of Lines and Maintenance. Applicants who have completed construction of mains shall, before these lines are accepted by the District for taps, deed these lines and appurtenances to the District, free and clear of all lines and encumbrances, and the bond furnished shall cover all maintenance for one (1) year from the date of acceptance of the lines by the District. Maintenance shall include District's out-of-pocket costs and its internal costs for equipment and personnel involved in the maintenance.

Also, prior to the acceptance of the lines by the District, all easements necessarily accompanying these lines shall be duly recorded and provided for.

Prior to the District's acceptance of the lines, or any taps made, "as built" drawings shall be provided by the constructor, or reasonable provision for such drawings made.

4.5.14 Dedication of Right-of-Way. Where required facilities must cross land not being subdivided, or where such land is under the applicant's control for the granting of public rights of way, each applicant who desires service will, in consultation with, and with the approval of the District, plat and grant to the District appropriate rights of way and easements in which will be constructed such facilities.

4.5.15 Discretion to Extend at District Cost. The District may, in its discretion, extend mains under such conditions as the Board deems appropriate; and may delay or suspend reimbursement, if any is required under previous agreements, for main extensions when the overall benefit of the District is at stake.

4.5.16 Main Sizes. The size of the main required to serve any area of the District shall be determined by the District.

4.5.17 Reimbursement. No person shall be permitted a reimbursement or recovery of costs for main line extensions except as provided by existing contracts, and/or as may be reasonable, in the sole discretion of the District, as the result of oversizing, as required by the District. (Amended 1/14/14)

4.6 Rates and Charges.

4.6.1 General. The information contained in this Section is pertinent to all charges of whatever nature to be levied for the provision of sewer and/or water services. Said rates and charges as herein established are in existence and effect at this time, and shall remain in effect until modified by the Board under the provisions of these Rules and Regulations, and under the applicable statutes of the State of Colorado. Nothing contained herein shall limit the Board from modifying rates and charges, or from modifying any classification.

4.6.2 Application of this Section. The rates, charges, and other information shall herein apply only to customers inside the District, and shall in no way obligate the District with respect to services provided outside the District boundaries.

4.6.3 Classification of Customers. For the purpose of levying fair, reasonable, uniform and equitable charges, the following classifications and appropriate definitions are provided:

A. Single Family Dwelling. A single family dwelling shall be construed as a living unit suitable for occupancy of one or more individuals of a family, and forming a separate structure from any other dwelling unit; consisting of one or more habitable rooms arranged, occupied, or intended or designed to be occupied, at any one time, by not more than one family with facilities for living, sleeping, cooking, and eating. Additional fees may be due for exceptionally large dwelling units, in such amounts as may be determined by the Board.

B. Multiple Family Dwelling. A multiple family dwelling should consist of a single structure or structures otherwise unattached to any other dwelling unit, and wherein more than one Single Family Unit exists.

C. Hotels and Motels. A hotel, motel or lodge should be defined as a unit providing overnight sleeping facilities for transient usage. The charges shown herein for hotel, motel, or lodge units shall be charges levied only for the sleeping accommodations, and shall not include units which include provisions for cooking and eating, nor reflect charges for attendant facilities included at the hotel, motel, or lodge, such as, but not limited to, restaurants, bars, swimming pools, automatic laundries, etc.

D. Mobile Homes. Mobile homes shall be classified as any unit capable of being transported on wheels behind a standard power unit, and which can be moved on normal streets, roads, and highways. Said unit must be suitable for living quarters, and provide for normal domestic sanitary conveniences.

E. Cafes, Restaurants, Bars and Private Clubs. Cafes, restaurants, bars and private clubs shall include any establishment providing food or beverage service to the general public or to private membership, and whereby charges for such service of goods and beverages are secured. Such units shall be classified by the square footage therein.

F. Filling Stations and Garages. Filling stations and garages shall be defined as service outlets providing for the servicing of vehicular units. Under the basic definition of filling stations and garages, no provision is made for automatic washing or wash rack facilities. A separate charge is provided herein for facilities providing wash rack or manual washing facilities, and said charges are provided on the basis of each wash rack or manual washing facility.

G. Laundry. Public laundries, as used herein, shall refer to coin operated laundries and drying facilities for clothing and textile usage.

H. Schools. Schools shall be defined as any private or public institution established and utilized for the instruction of any individuals, and where said units are to be operational for a period of six (6) months or longer on a normal four (4) or five (5) day week. Charges will be based on student enrollment as determined from the school records and representing the average enrollment during the last full school year, or projected annually if a new school. Average enrollment during said last school year shall be the basis for establishing the charge for service.

I. Hospitals. Hospitals shall be defined as either private or public institutions with overnight facilities provided for serving of patients. Charges shall be based on a per bed basis.

4.6.4 Tap Fee. A tap fee shall be charged to all customers of the District. Such fee shall represent a “privilege to serve” fee, assessed and paid before the commencement of work to install any service line, main extension or tap connection, or before the District approves any building permits, whichever first occurs. Tap fees shall be paid at the rate in effect at the time of final payment. Partial tap fee payments made to reserve service and where no connection is made at that time shall be considered as deposits to be applied to the total tap fee due at the time final payment is actually made. The Board of Directors shall have the right to refuse to accept prepaid tap fees (to reserve service or taps where no immediate connection is intended to be made by the applicant), where such prepayment would be detrimental or disallowed by the Granby Sanitation District (with respect to sewer connections), would not be allowed by any water court decree or augmentation plan (with respect to water connections), or would otherwise be adverse to any prior commitments or contracts of the District or its financial and economic stability.

Tap fees shall be assessed as provided for in the Schedule of Fees and Charges attached hereto as Appendix “A”.

If partial tap fee was previously paid (such as for sewer to Granby Sanitation District), if not earlier paid, the full amount of all tap fees shall be paid to the District at or before any building permit application is submitted to the District or the building authority in charge of issuance of the permit. Failure to so pay shall permit this District to notify the building authority that sewer or water services, not so paid, are not then available to serve the improvements. Any past due tap fees shall incur the penalty, interest and other charges set forth in Paragraph 4.6.9 after the application for building permit has been made by the property owner.

4.6.5 Service Charges, Active and Inactive Taps. Upon payment of tap fees, full service charges of Granby Sanitation District and the Granby/SilverCreek Water and Wastewater Authority shall be charged to the property owner according to that District's regulations, whether or not connection has been made. The only exception to this are the Fourth Addendum property owners who do not pay the Granby Sanitation District Service Charges nor the Granby/SilverCreek Water and Wastewater Authority Service Charges until the sewer and/or water connections are made. On 1-1-85, any taps previously paid and thereafter paid (to SilverCreek Water & Sanitation District) shall cause service fees and charges for SilverCreek Water & Sanitation District to be charged to the property owner whether or not connection has been made at the time that the charges commence. For inactive taps an inactive Service Fee will be charged by the District at a rate less than the used tap rate. Full Service Fees will be charged 9 months after purchasing a tap. For any area of the District not receiving any water or sewer service, in which case service fees only for the service received shall be charged and paid. No reimbursement of service charges shall be provided during a period of non-occupancy. The constructor of the building shall be obligated to pay the service charges during this period of non-occupancy or be subject to delinquent account procedures states elsewhere in these rules and regulations. (Amended 1/14/14)

At the time that the tap is put into use, or when it could have been put into use, the rate shall be increased to the full current monthly service charge.

When a condominium or homeowner's association exists for a number of units receiving service from the water or sewer district, said association shall receive an invoice for all units serviced by the association. In no instance shall the District bill individual owners within an association. A copy of the Condominium Declaration or Homeowner's Association By-laws, as recorded, shall be given to the District and shall include owner's obligation to pay water and sewer assessments and for lien rights and foreclosure thereof, upon non-payment.

The District shall have the right to issue only one bill for a multi-unit structure or development. Such condominium or homeowner's association shall be the customer for purpose of notices and billing of service charges.

Service charges shall be as reflected in the Schedule of Fees and Charges attached hereto as Appendix "A".

4.6.6 Amended Tap Fees. In those situations where a prospective user applies for a permit for service to a structure or use not defined in the proceeding article, or where, in the Board's opinion, said structure represents a classification not contemplated in the establishment of the defined tap fees, the Board shall, in its sole discretion, establish a fair, reasonable, and equitable tap fee for said structure.

4.6.7 Amended Service Charges. In those situations where, in the Board's sole discretion, the service charges shown in the previous articles do not represent a fair, reasonable, and equitable charge for the intended use, the Board, in its sole discretion, may adjust said rates.

4.6.8 Payment of Service Charges. It is the policy of the District to bill all monthly or quarterly service charges in advance, except for metered water service charges. All service charges shall be paid as herein set forth. Different categories of users may be billed on different periods. Thus, commercial and multi-unit users may be billed monthly and residential quarterly. The customer shall pay to the District, according to the terms on the statement, the full amount of that statement. Where the customer believes said statement is in error, the customer must file, in writing, a notice to the District of the presumed error, and request a clarification from the Manager. Upon review by the Manager, and re-submittal and/or revision of the statement, payment shall be due no later than ten (10) days from the postmarked date of the resubmitted statement.

4.6.9 Penalty for Late Payment. At any time the customer is ten (10) days tardy in payment of any charges due the District, the District shall have the right to assess an interest charge at a rate of one percent (1%) per month from due date on the unpaid balance. The District shall further have the right, in its sole discretion, to terminate service to any customer who becomes thirty (30) days or more tardy in payment for scheduled services, following the opportunity for a hearing as outlined herein.

The District has the right to assess to any customer who is tardy in payment of his account, all legal, court, disconnection, and other costs necessary to or incidental to the collection of said account(see C.R.S., 32-1-1006(1)(d).

In addition to any other means of collecting delinquent fees, rates, tolls, penalties, assessments and charges made or levied solely for water, sewer, or water and sewer services (including charges for availability of such service), the District may certify the delinquent amounts to the County Treasurer for collection in the same manner as property taxes, in accordance with the provisions of statute, as it may be amended. The County Treasurer will charge a fee, for the administrative costs of this collection method, which fee shall be added to all delinquent amounts, including other penalties and interest charges added before certification. (Amended 1/14/14)

4.6.10 Fees for Disconnection and Reconnection. There may be a separate charge of one hundred dollars (\$100.00) for each disconnection or reconnection of water or sewer service, which, if not previously paid, shall be paid prior to such reconnection. Any disconnection which continues for twelve (12) months or more. The District may require the payment of a new tap fee prior to reconnection. (Amended 12/12)

4.6.11 Determining Equitable Service Charges. Granby adopted a Regulation on May 2, 1979, to establish the procedure for determining equitable service charges to be levied on all users which discharge wastewater to the Granby system and providing certain prohibitions. Silvercreek District incorporates the provisions of such Regulation herein and determines that the provisions thereof shall be equally applicable to the sanitation users located in the Silvercreek District except for the specific rates stated therein. A copy of such Regulation shall be attached to these Rules as Appendix "D". Likewise, the Authority has established a procedure for the adoption of water service charges. SilverCreek District incorporates the Authority's establishment of water service charges, subject to modification by this District. (Amended 1/14/14)

4.6.12 Determining Industrial Cost Recovery Charges. Granby adopted a Regulation on May 2, 1979, to establish a procedure for determining equitable cost recovery charges to be levied on any industrial concern, which discharges industrial wastewater to the wastewater system of Granby, and providing certain prohibitions. SilverCreek District incorporates the provisions of such Regulation herein and determines that the provisions thereof shall be equally applicable to the sanitation users located in the SilverCreek District except for the specific rates stated therein. A copy of such Regulation shall be attached to these Rules as Appendix "E".

4.6.13 Availability of Service Charges. Availability charges were once assessed to help retire the District's Bonds. These charges are no longer assessed.

4.6.14 Potentially Polluting Lands Uses/Requirements.

The Silvercreek Water and Sanitation District is very concerned about protecting the District's water sources. In order to protect these water sources, the District requires the following for all land uses, which in the opinion of the Silvercreek District, could be potentially pollutant.

A) Prior to the issuance of any water or sewer taps for a gas station or any other potentially polluting land use, the applicant shall submit: 1) A report prepared by a professional engineer that it is his/her opinion that under no circumstances will there be any possibility of contamination of the District's wells as a result of the proposed development. 2) Complete plans and specifications to the Silvercreek Water and Sanitation District for review and approval. Minimal requirements will include a "tank inside a tank" design and "pipe inside a pipe" design with gravity drain of the "carrying" pipe back to the "carrying" tank, with automatic alarms, approved by the District for leakage and other failure conditions. 3) Any other reports, studies or investigations reasonably required by the SilverCreek Board to support the health, safety and welfare of the users of the District's water and sewer systems.

B) A drainage plan is also required with this submittal. Complete spill containment is a requirement. This may include concrete curb/gutters and concrete pan.

C) On site test wells may also be required, including frequent testing of these wells. The cost for this ongoing testing shall be the responsibility of the owner.

D) The District shall have 60 days to review the applicant's submittal. No taps will be issued until an agreement regarding these requirements is reached for the particular site between the applicant and the Silvercreek Water and Sanitation District. This may include, but not be limited to; a cash guarantee to the District that the requirements approved will be constructed.

E) The District may need to hire outside professionals such as engineers, hydrologists, geologists, and lawyers. The applicant shall reimburse the District for monies spent on these professionals to review/evaluate the potential injury and to make recommendations to minimize potential contamination.

F) The costs of any water tests performed by the District, either required by the State of Colorado or as required by the Silvercreek Water and Sanitation District, to evaluate contamination or non-contamination of the District's wells shall be paid for by the applicant. This expense shall be ongoing until the property is no longer used for this potentially polluting land use.

G) Monthly accounting of all underground fuels shall indicate gallons delivered and gallons pumped and any "unaccounted" fuel. The reason for any "unaccounted" fuel shall be immediately investigated and a report with explanations shall be submitted to the District. If there is no explanation for the "unaccounted" fuel, operations shall cease until a professional engineer certifies that fuels are not being discharged into the ground/groundwater.

4.7 Separation of Services.

4.7.1 General. Because of the large area of the District, as now existing and as it may be expanded by annexation of additional properties, and because of the mountainous topography of the District, it may not be possible to service all areas of the District with sewer or water from the District's resources.

4.7.2 Division of District. The Board, by resolution or order, may divide the District (including any property annexed to the District) into areas according to the water or sanitation services then being furnished or to be furnished in such areas.

4.7.3 Non-Service Areas. By resolution, the Board may designate areas of ten (10) acres or more that are not to be served with water or sanitation services. Such resolution shall only be made if the Board finds that it is infeasible, impracticable or undesirable for the good of the entire District to extend water or sewer lines and facilities to such area designated for non-service.

4.7.4 Determination of Charges. If the Board designates any non-service area, the Board shall also then, or as soon thereafter as it is reasonably able, determine the amount of money to be raised by taxation within each area of the District, according to Statute (C.R.S., §32-1-1006(b) (II)). The Board may also determine different rates, fees, tolls or charges within each area according to the services and facilities being furnished or to be furnished in such different areas.

APPENDIX A

Rate Schedule

Sanitation.

Service charges assessed by SCWSD are \$42.00 per quarter per single family equivalent (SFE). In addition Granby Sanitation District (GSD) charges \$111.00 per quarter per S.F.E. and the Town of Granby (Granby / SilverCreek Water and Wastewater Authority-Dissolved) charges \$9.80 per quarter per S.F.E. These rates are charged by SCWSD and paid without mark up to these Entities. The total amount is \$162.80 per quarter per S.F.E.

The Sewer Tap Fee breakdown is as follows:

Granby Sanitation District	\$9,690.00
Town of Granby	\$1,600.00
SilverCreek Water and Sanitation District	\$4,672.00
SilverCreek Inspection Fee	\$150.00
Meter, Saddle, ect.	<u>\$1,050.00</u>
	\$17,162.00

Water.

Service charges assessed by SCWSD are \$42.00 per quarter per single family equivalent (SFE). In addition Town of Granby (Granby / SilverCreek Water and Wastewater Authority-Dissolved) charges are \$54.65 per quarter, per S.F.E. and \$35.18 per quarter per S.F.E for the New Water Treatment Plant Debt fee. These rates are charged by SCWSD and paid without mark up to these Entities. The total amount is \$131.83 per Quarter per S.F.E.

Bulk water fees are \$7.50 per 1000 gallons and an annual administration fee of \$75.00 per user.

The Water Tap Fees breakdown is as follows:

Town of Granby	\$6,684.00
SilverCreek Water and Sanitation District	\$4,672.00
SilverCreek Inspection Fee	\$150.00
Water Meter, Saddle, ect.	<u>\$1,050.00</u>
	\$12,556.00

NOTE: Construction water and sewer service fees initially start at \$79.22 per month per S.F.E. for 9 months. Of this amount, \$37.00 is paid to the GSD, \$21.49 is paid to the Town of Granby (Granby/SilverCreek Water and Wastewater Authority-Dissolved) plus \$11.73 for the New Water Treatment Plant Debt fee and \$9.00 is retained by SCWSD. These service charges begin the first month the tap is purchased. After the 9 month construction time, water and / sewer service is used, (as determined by the SCWSD), the monthly service charge rate is increased from this \$79.22 rate to \$84.21 per month per S.F.E. as detailed above. (Amended 11/10/21)

SCHEDULE OF SINGLE FAMILY EQUIVALENTS

This schedule must be read in conjunction with the single family equivalent schedule of the Granby Sanitation District in effect from time to time. The following schedule shall be in effect except in those cases where the Granby Sanitation District schedule provides a greater single, family equivalent, in which event the schedule of the Granby Sanitation District shall be effective.

Uses not identified in this Appendix A or the Granby Sanitation District schedule shall be negotiated by the parties and are subject to a Single Family Dwelling 1.0 SFE (per unit)

2. Multiple Family Dwelling 1.0 (per family unit)

3. Hotels and Motels (per double person, but not including restaurant, bar, swimming pool areas, etc. - at their respective fees:
 - (a) without kitchens .5
 - (b) with kitchens 1.0

4. Mobile Homes 1.0

5. Cafes, Restaurants, Bars, Private Clubs 4.0

6. Drive-in Restaurants, per car space .25

7. Filling Stations and Garages
 - (a) without washing racks 2.0
 - (b) Additional - each washing rack 1.0

8. Laundry (self-service; per washer) .25

9. Schools - per student or faculty member (w/o pool)
 - (a) without cafeteria .02
 - (b) with cafeteria .04

10. Hospitals - per bed 1.0

11. Auto Dealers (per 1,000 sq. ft. of building; minimum one times single family rate) .3

12. Barber Shops (per chair, minimum = one times single family rate) .25
13. Beauty Shops (per chair, minimum = one times single family rate) .4
14. Boarding House (per bed) .25
15. Boarding School (per bed) .25
16. Bowling Alleys (per lane, excluding bars, restaurants, etc.) .15
17. Car Wash, Do-It-Yourself (per stall, coin operated, at 10 gallons or less per car) 1.0
18. Car Wash, Mechanical (per stall w/o conveyor, over 10 gallons. per car) 1.5
19. Car Wash, Conventional 10.0
20. Churches (per 1,000 sq. ft.; not including kitchens and dining rooms) .4
21. Cleaners
 - (a) per 1,000 sq. ft., plus (b) 1.0
 - (b) per press 1.5
22. Convalescent Homes (per bed) .25
23. Convents (per bed) .25

24. Country Clubs (per 1,000 sq. ft. of general building area plus restaurant, bars, pools, etc., at their respective rates) 1.5

25. Drug Stores, w/o fountain service(per 1,000 sq. ft.) 1.0

26. Drug Stores, with fountain service (Add (a) and(b))

(a) per 1,000 sq. ft., plus (b) .8

(b) per chair .1

27. Factories (per 1,000 sq.ft.; not including industrial wastes which shall be assigned a rate appropriate to each case) .75

28. Fraternal Organizations (per 1,000 sq.ft. of general building; plus extras) .5

29. Grocery Stores and Super Markets (per 1,000 sq.ft.) .8

30. Office Buildings and Clinics (per 1,000 sq.ft.) .75

31. Public Institutions - Other than Hospitals (per 1,000 sq.ft.) .75

32. Auxiliary Dining Room - open not more than 20 hours per week (per 1,000 sq.ft.) 2.0

33. Stores (other than specifically listed and without restrooms or water - per 1,000 sq.ft. .5

34. Stores (other than specifically listed, with restrooms - per 1,000 sq.ft., minimum - one times single family rate) .5

35. Drive-thru Drive-ins (per drive-thru lane) 2.0

36. Public Swimming Pool (when connected to Assessed on an system- per 1,000 sq.ft. of net area individual basis of pool; see Country Club for building unit)

37. Theater (includes snack bar; per seat) .02

38. Theater/Drive-in (per car space; includes snack bar) .04

39. Warehouse (per 1,000 sq.ft.) .15

40. Private Swimming Pools (home pools, per 1,000 sq.ft. net area) 1.0

41. Public Restrooms (per restroom) 1.0

***Note: The minimum tap and service fee for all uses is one times the single family rate.

42. Hot Tubs or Spas – No special Tap Fee or Service charge assessment will be made for Hot Tubs installed on Single Family Lots. Hot Tubs in Multi – Family and Commercial properties shall be assessed only water tap fees and service charges at the rate of .2 S.F.E. per 300 gallons.

43. Saunas (per 500 sq.ft.) 1.0

44. Health Clubs (per shower stall) .30

***Note: The minimum tap and service fee for all uses is one times the single family rate.

(Amended 07/04)

APPENDIX B

See Water and Sewer Construction Standards.

APPENDIX C

See Water and Sewer Construction Standards.

APPENDIX D

A REGULATION ESTABLISHING THE PROCEDURE FOR DETERMINING EQUITABLE SERVICE CHARGES TO BE LEVIED ON ALL USERS WHICH DISCHARGE WASTEWATER TO THE WASTEWATER SYSTEM OPERATED BY THE GRANBY SANITATION DISTRICT, GRAND COUNTY, STATE OF COLORADO, AND PROVIDING CERTAIN PROHIBITIONS.

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE GRANBY SANITATION DISTRICT

SECTION 1. PURPOSE.

The purpose of this ordinance shall be to generate sufficient revenue to pay all costs for the operation and maintenance of the complete wastewater system. The costs shall be distributed to all users of the wastewater system in proportion to each user's contribution to the total loading of the treatment works. Factors such as strength (BOD and SS), volume, and delivery flow rate characteristics shall be considered and included as the basis for the user's contribution to ensure a proportional distribution of operation and maintenance costs to each user (or user class)

SECTION 2. DETERMINING THE TOTAL ANNUAL COST OF OPERATION AND MAINTENANCE.

The Granby Sanitation District, or its Superintendent of Public Works, shall determine the total annual costs of operation and maintenance of the wastewater system which are necessary to maintain the capacity and performance, during the service life of the treatment works, for which such works were designed and constructed. The total annual cost of operation and maintenance shall include but need not be limited to, labor, repairs, equipment replacement, maintenance, necessary modifications, power, sampling, laboratory tests, and a reasonable contingency fund.

SECTION 3. DETERMINING EACH USER'S WASTEWATER CONTRIBUTION PERCENTAGE.

The Granby Sanitation District, or its Superintendent of Public Works shall determine each user's average daily volume of wastewater, which has been discharged to the wastewater system, which shall then be divided by the average daily volume of all wastewater discharged the wastewater system, to determine each user's Volume Contribution Percentage. The amount used as the total average daily volume of wastewater shall exclude infiltration and inflow. The Granby Sanitation District, or its Superintendent of Public Works, shall determine each user's average daily poundage of 5-day 20 degree Centigrade Biochemical Oxygen Demand (BOD) which has been discharged to the wastewater system which shall then be divided by the average daily pound percentage of all 5-day BOD discharged to the wastewater system to determine each user's BOD Contribution Percentage.

The Granby Sanitation District, or its Superintendent of Public Works, shall determine each user's average Suspended Solids (SS) poundage which has been discharged to the wastewater system which will then be divided by the average daily poundage of all Suspended Solids discharged to the waste-water system, to determine the user's Suspended Solids Contribution Percentage. Each user's Volume Contribution Percentage, BOD Contribution Percentage and Suspended Solids Contribution Percentage shall be multiplied by the annual operation and maintenance costs for wastewater treatment of the total volume flow, of the total 5-day 20 degree Centigrade BOD and of the Suspended Solids, respectively.

SECTION 4. DETERMINING A SURCHARGE SYSTEM FOR USERS WITH EXCESS BOD AND SS.

The Granby Sanitation District, or its Superintendent of Public Works, will determine the average suspended solids (SS) and biochemical oxygen demand (BOD) daily loadings for the average residential user. The Granby Sanitation District, or its Superintendent of Public Works will assess a surcharge rate for all non-residential users discharging wastes with BOD and SS strengths greater than the average residential user. Such users will be assessed a surcharge sufficient to cover the costs of treating such user's above normal strength wastes. Normal strength wastes are considered to be 200 p.p.m. BOD and 250 p.p.m. SS. The surcharge rate structure for such above normal strength waste dischargers is attached. (Appendix A).

SECTION 5. DETERMINING EACH USER'S WASTEWATER SERVICE CHARGE.

Each non-residential user's wastewater treatment cost contributions as determined in Sections 3 and 4 shall be added together to determine such user's annual wastewater service charge. Residential users may be considered to be one class of user and an equitable service may be determined for each user based upon an estimate of the total wastewater contribution of this class of user. The governing body may classify industrial, commercial, and other non-residential establishments as a residential user, provided that the wastes from these establishments are equivalent to the wastes from the average residential user with respect to volume, suspended solids, and BOD. Each user's wastewater treatment cost contribution will be assessed in accordance with the attached rate schedule. (Appendix B)

SECTION 6. PAYMENT OF THE USER'S WASTEWATER SERVICE CHARGE AND PENALTIES.

The Granby Sanitation District shall submit a quarterly statement to the user for the user's quarterly annual wastewater service charge. The Granby Sanitation District shall add a penalty of 1.5 % (percent) per month if the payment is not received by the Granby Sanitation District within 15 days. Should any user fail to pay the user wastewater service charge and penalty within three months of the due date, the Granby Sanitation District may stop the wastewater service to the property. Should any user fail to pay the user wastewater service charge and penalty within 6 months of the due date, the Granby Sanitation District shall stop the wastewater service to the property.

SECTION 7. REVIEW OF EACH USER'S WASTEWATER SERVICE CHARGE.

The Granby Sanitation District shall review the total annual cost of operation and maintenance as well as each user's Wastewater Contribution Percentage not less often than every two years and will review the system as necessary to assure equity of the service charge system established herein and to assure that sufficient funds are obtained to adequately operate and maintain the wastewater treatment works. If a significant user, such as an industry, has completed in-plant modifications which would change that user's wastewater contribution percentage, the user can present at a regularly scheduled meeting of the governing body, such factual information and the Granby Sanitation District shall then determine if the user's wastewater contribution percentage is to be changed. The Granby Sanitation District shall notify the user of its findings as soon as possible.

SECTION 8. NOTIFICATION.

Each user will be notified, at least annually, in conjunction with a regular bill, of the rate and that portion of the user charges which are attributable to wastewater treatment services.

SECTION 9. WASTES PROHIBITED FROM BEING DISCHARGED TO THE WASTEWATER TREATMENT SYSTEM.

The discharge of any waters containing toxic or poisonous solids, liquids, or gases in sufficient quantity, either singly, or by interaction with other wastes, to contaminate the sludge of any municipal systems, or to injure or interfere with any sewage treatment process, constitute a hazard to humans or animals, create a public nuisance, or create any hazard in or have an adverse effect on the waters receiving any discharge from the treatment works is hereby prohibited.

(Article No. V of the Granby Sanitation District's "Regulation of Sewer Use" Ordinance contains additional requirements covering the use of the Granby Sanitation District's public sewers.)

SECTION 10. PROHIBITION OF CLEAR WATER CONNECTIONS.

No person shall make connection of roof downspouts, exterior foundation drains, areaway drains, or other sources of surface run-off or groundwater to a building sewer or building drain which in turn is connected directly or indirectly to a public sanitary sewer.

SECTION 11. PROPER DESIGN AND CONSTRUCTION OF NEW SEWERS AND CONNECTIONS.

The size, slope, alignment, materials of construction of all sanitary sewers and sewer connections, and the methods to be used in excavating, placing of the pipe, jointing, testing, and backfilling the trench, shall all conform to the requirements of the building and plumbing code or other applicable rules and regulations of the City of Granby, and the State of Colorado. In the absence of code provision or in amplification thereof, the materials and procedures set forth in appropriate specifications of the A.S.T.M. and W.P.C.F. annual of Practice No. 9 shall apply.

(Article No. IV of the Granby Sanitation District's Regulations of Sewer Use Ordinance contains additional requirements covering the proper design and construction of the Granby Sanitation District's sanitary sewers, building sewers, and connections.)

PASSED AND ADOPTED by the Board of Directors of the Granby Sanitation District, Grand County, Colorado, on the 2nd day of May, 1979, by the following vote:

Ayes Five-

John D. Fletcher

S. P. Robinson, Jr.

Al Seidl

William Wilber

Charles Heckert

APPROVED this 2nd day of May, 1979

APPENDIX E

REGULATION ESTABLISHING THE PROCEDURE FOR DETERMINING EQUITABLE COST CHARGES TO BE LEVIED ON ANY INDUSTRIAL CONCERN WHICH DIRECTS INDUSTRIAL WASTEWATER TO THE WASTEWATER SYSTEM OPERATED BY THE GRANBY SANITATION DISTRICT, AND PROVIDING CERTAIN PROHIBITIONS.

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF GRANBY SANITATION DISTRICT, COUNTY OF GRAND, STATE OF COLORADO:

SECTION 1. PURPOSE.

The purpose of this Regulation shall be to recover the proportional share of the Federal Grant from users discharging industrial wastewater to the wastewater system. An industrial user's share shall be based on factors which significantly influence the cost of the treatment works. Such factors include volume, strength, and delivery flow rate characteristics.

SECTION 2. DEFINITION OF ALL INDUSTRIAL USER.

Any governmental, non-residential user of the District wastewater treatment works discharging more than the equivalent of 25,000 gallons per operating day of sanitary wastes and identified in the Standard Industrial Classification Manual, 1972, Office of Management and Budget, as amended and supplemented, under one of the following divisions:

Division A. Agriculture, Forestry, and Fishing

Division B. Mining

Division D. Manufacturing

Division E. Transportation, Communication, Electric, Gas, and Sanitary Services

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Division I. Services

(A) In determining the amount of a user's discharge for purpose of industrial cost recovery, the grantee may exclude domestic wastes or discharges from sanitary conveniences.

(B) After applying the sanitary waste exclusion in sub-paragraph (a) of this paragraph (if the District chooses to do so), dischargers in the above divisions that have a volume exceeding 25,000 gpd or the weight of a 5-day Biochemical Oxygen Demand (BJD) or suspended (55) equivalent to that weight found in 25,000 gpd of sanitary waste are considered to be industrial users. Sanitary wastes, for purpose of the calculation of equivalency, are the wastes discharged from residential users. Residential strength wastes are considered to contain 200 ppm BOD and 250 ppm SS.

SECTION 3. DETERMINING EACH INDUSTRIAL USER' S WASTEWATER CONTRIBUTION PERCENTAGE.

The District, or its Superintendent, shall determine the industrial average daily volume of wastewater discharged to the wastewater, which shall then be divided by the wastewater treatment facility's average daily volume flow design capacity, to determine each industry volume contribution percentage. The District or its Superintendent, shall determine each industry's average daily poundage of 5-day 20 degree centigrade biochemical oxygen demand (BOD), which shall then be divided by the wastewater treatment facility's average daily BOD design capacity to determine such industry's BOD contribution percentage. The District, or its Superintendent, shall determine each industry's average suspended solids poundage discharged to the wastewater system which shall then be divided by the wastewater treatment facility's average daily suspended solids design capacity. No credit shall be given to the industry for the time period when the user is not operating and not discharging wastewater.

SECTION 4. DETERMINING THE ANNUAL INDUSTRIAL COST RECOVERY AMOUNT.

Each of the industrial user's wastewater contribution percentage determined in Section 2 shall be multiplied by the Step 1, 2, and 3 Grant amounts allocable to treatment of volume flow, BOD and SS respectively. These amounts shall be added together and then divided by the life of the project in years to obtain the annual industrial cost recovery for each user. If more than one project is involved, the annual industrial cost recovery amount shall be determined for each project and all such amounts shall be added and billed to the user.

SECTION 5. INDUSTRIAL COST RECOVERY PERIOD.

The industrial cost recovery period shall be the design period of the project or thirty years, whichever is less. The industrial cost recovery period for the Granby Sanitation District shall be 20 years.

SECTION 6. INDUSTRIES SUBJECT TO THE REQUIREMENTS.

The Granby Sanitation District, or its Superintendent, shall determine the industries subject to the requirements of this ordinance. At the time of adoption of this Regulation, there are no industries subject to the requirements of this Regulation.

SECTION 7. PAYMENT OF THE ANNUAL INDUSTRIAL COST RECOVERY AMOUNT.

The District shall submit an annual statement to the industry for the annual industrial cost recovery amount. The District shall add a penalty of 1.5 per cent per month if the payment is not received by the District within 15 days. Should any industrial user fail to pay the annual industrial cost recovery amount and penalty within three months of the due date, the District may stop the wastewater service to the property. The first payment by an industrial user shall be made not later than one year after such user beams use of the wastewater system.

SECTION 8. REVIEW OF THE ANNUAL INDUSTRIAL COST RECOVERY ACCOUNT.

The District shall review the cost recovery system as well as each industrial user's wastewater contribution percentage on an annual basis to assure equity of the annual industrial cost recovery system. If a significant user, such as an industry, has completed joint plant modifications which would change that industry's wastewater contribution percentage, the user can present at a regularly schedule meeting of the governing body such factual information and the District shall then determine if the industry's wastewater contribution percentage is to be changed. The District shall notify the industry of its findings as soon as possible.

SECTION 9. WASTES PROHIBITED FROM BEING DISCHARGED TO THE WASTEWATER TREATMENT SYSTEM.

The discharge of any waters containing toxic or poisonous solids, liquids, or gases in sufficient quantity, either singly or by interaction with other wastes, to contaminate the sludge of any District's systems, or to injure or interfere with any sewage treatment process, constitute a hazard to humans or animals, create a public nuisance, or create any hazard in or have an adverse effect on the waters receiving any discharge from the treatment works is hereby prohibited.

(Article No. V of the City's "Regulation of Sewer Use" Regulation contains additional requirements covering the use of the District's public sewers.)

SECTION 10. RETAINED AMOUNTS.

The District shall retain 50 percent of the amounts recovered from Industrial users. The remainder, together with any interest earned thereon, shall be returned to the U.S. Treasury on an annual basis.

A minimum of 80 percent of the retained amounts after paying the incremental costs of administration, together with interest earned thereon, shall be used solely for the eligible costs (in accordance with Section 35.940 -Federal Register of September 27, 1978) of the expansion or reconstruction of treatment works associated with the project and necessary to meet the requirements of the Act. The District shall obtain the written approval of the Regional Administrator prior to commitment of the retained amounts for any expansion and reconstruction. The remainder of the retained amounts may be used by the District for any purpose except for construction of industrial pretreatment facilities or rebates to industrial user(s) for costs incurred by such users in complying with Federal User Charge or Industrial Cost Recovery requirements.

Pending use, the District shall invest the retained amounts for reconstruction and expansion in (1) obligations of the U.S. Government, or (2) obligations guaranteed as to principal and interest by the U.S. Government or any agency thereof, or (3) shall deposit such amounts in accounts fully collateralized by obligations of the U.S. Government or by obligations fully guaranteed as to principal and interest by the U.S. Government or any agency thereof.

SECTION 11. SAMPLING OF INDUSTRIAL FLOWS.

The District, or its agents, shall monitor flows, collect and analyze samples of waste flows from industrial users discharging to the system. The District may require the industrial user to install a monitoring and sampling manhole on any line that discharges to the wastewater system. Said manhole or manholes shall be located on public property. The industrial user shall pay all costs for the installation of the manhole or manholes. All costs for flow monitoring, sample collection, and analyzing which the District incurs shall be chargeable to the industrial user. The District shall monitor flows and collect samples on a scheduled basis after consultation with its engineer. The District and its agents shall monitor and sample at random times with a minimum of 4 sample(s) per year.

SECTION 12. RESERVED CAPACITY.

The District may permit industrial users to reserve capacity in the treatment works (including used and unused capacity). Such city reserved through formal, written agreement is subject to industrial cost recovery as set forth below.

In such cases, the industrial user shall be required to pay the full ICR allocable to the capacity reserved. In the event that the industrial user exceeds its reserved capacity, it shall be required to pay ICR calculated on the full reserved capacity plus additional ICR for use above the limits of the reserved capacity or any element thereof.

In the event the District's treatment works are expanded in the future with PL 92-500 grant assistance, an industrial user who has executed a reserved capacity agreement and has made ICR payments based upon full reserved capacity will not incur additional ICR charges associated with the cost of expansion until the industrial user's actual use of the treatment works exceeds its reserved capacity.

Industrial users with reserved capacity contracts will, of course, be required to pay any additional ICR charges associated with the cost of upgrading the District treatment works.

SECTION 13. EXCLUSIONS FROM APPLICATION OF INDUSTRIAL COST RECOVERY (ICR).

ICR is not required for the following grant costs:

- A. Infiltration / inflow correction or treatment.
- B. Correction of combined sewer overflows and collection or treatment of storm waters.

SECTION 14. MAINTENANCE OF RECORDS.

The District shall maintain such records as are necessary to document compliance with the Environmental Protection Agency's Industrial Cost Recovery and the provisions of this Regulation. Such records shall be kept for the cost recovery period

PASSED AND ADOPTED by the Board of Directors of the Granby Sanitation District, Grand County, Colorado, on the 2nd day of May, 1979, by the following vote:

John D. Fletcher

S. P. Robinson, Jr.

Al Seidi

William Wilber

Charles Heckert